

Press release

Fidia S.p.A.: the BoD approves the Quarterly Report as at September 30, 2017

Main consolidated figures as at September 30, 2017

- **Net revenues:** 28,8 million euros (37,1 million euros as at September 30, 2016)
- **EBITDA:** -2,4 million euros (vs a positive balance of 2,0 million euros as at September 30, 2016)
- **Net result:** -3,2 million euros (0,8 million euros as at September 30, 2016)
- **Order acquisition:** 32,0 million euros (24,9 million euros as at September 30, 2016)
- **Investments:** 1,3 million euros, increasing in the first nine months due to the completion of the activities related to the beginning of the production in the new HSM production plant in Forlì.

Torino, November 10, 2017 - The Board of Directors of Fidia S.p.A., a leading Group in numerical control devices and integrated systems technologies for the calculation, scanning and cutting of complex shapes and listed on the Star (MTA) segment of the Italian Stock Exchange, has examined and approved today the quarterly report as at September 30, 2017.

In the first nine months 2017 Fidia Group has reported **Net Revenues** for 28,8 million euros compared to the 37,1 million euros in the same period of 2016. Sales remained on a very satisfying level, and overall in the first nine months of the year the order acquisition has been decisively higher than the same period of last year.

Machine deliveries has been below expectations, but the production planning suggests a strong increase in the last quarter.

"As at September 30 we register a decrease in the revenues compared to the same period of last year, even though the order acquisition (32 million euros) is much higher than 3rd quarter 2016" says **Giuseppe Morfino, Founder, President and CEO of Fidia** " and we will be able to see the effects already in the next quarters.

The reason for such a decrease has to be found in the transfer of the production activities in the new Forlì plant, which we believe is now completed. Together with the full new production capacity, this allows us to predict a significant improvement in the economic results of the fiscal year.

We continue to make investments in R&D, in order to keep strengthen our presence in the growing business sectors. We are realizing organizational actions and strengthening strategic departments, in order to reach the growth that will allow us to catch future opportunities".

The **Net Financial Position** of the Group as at September 30, 2017 is a debit by 10,9 million euros (compared to a negative balance of 7,4 million euro as at 31.12.2016), also due to the major



investments carried out in the period, in material and non-material assets.

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As provided for by law, the Quarterly Report as at September 30, 2017 will be available within today at the Company headquarter, at the 1Info storage system (www.1info.it) and in the Investor Relations section of the corporate internet site (www.fidia.com).

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Pursuant to Art. 154-bis, paragraph 2 of the "Testo Unico della Finanza", the Financial Reporting Officer (the so called "dirigente preposto") dr. Massimiliano Pagnone, declares that all the figures contained in the present press release correspond to the company's records, books and accounting entries.

Fidia S.p.A., headquartered in San Mauro Torinese (TO), Italy, is a world leader company in the design, production and distribution of high-performance integrated milling systems, primarily applied in the manufacturing of molds and dies for automotive industry and in aerospace field. With more than 40 years of experience and 336 employees, Fidia is known as one of the few companies able to provide solutions for the complete milling process, from the definition of the machining program to the finished product. Fidia produces, distributes and maintains worldwide numerical controls for milling systems, high speed milling systems, CAM software for the cutting of complex shapes.

Fidia S.p.A. (Reuters FDA.MI – Bloomberg FDA IM) is listed on the STAR segment (MTA) of the Italian Stock Exchange and has a capitalization of approx. € 31 million euros.

News and additional information about the company can be found on the corporate website at www.fidia.com

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Fidia Group: consolidated financial statements as at 30.9.2017

Reclassified consolidated profit and loss statement (thousand euros)	3rd Quarter 2017	%	3rd Quarter 2016	%
Net revenues	28.835	84,9%	37.078	86,9%
Change in finished goods and W.I.P. stock	3.576	10,5%	4.267	10,0%
Other revenues and incomes	1.547	4,6%	1.328	3,1%
Value of production	33.958	100,0%	42.672	100,0%
Raw materials and consumables	(12.470)	-36,7%	(15.356)	-36,0%
Commissions, transport and subcontractors	(3.120)	-9,2%	(4.419)	-10,4%
Other services and operating costs	(7.622)	-19,1%	(8.171)	-19,1%
Added value	10.746	31,6%	14.726	34,5%
Personnel costs	(13.101)	-38,6%	(12.721)	-29,8%
Gross operating margin (EBITDA)	(2.355)	-6,9%	2.005	4,7%
Allocation to provision for bad debts	(77)	-0,2%	(166)	-0,4%
Depreciation and amortization	(705)	-2,1%	(491)	-1,2%
Operating margin of the ordinary activity	(3.137)	-9,2%	1.348	3,2%
Non-recurring (costs)/revenues	0	0,0%	0	0,0%
Operating margin (EBIT)	(3.137)	-9,2%	1.348	3,2%
Net financial income (expenses)	(69)	-0,2%	(165)	-0,4%
Profit/(loss) on exchange rates	154	0,5%	216	0,5%
Income/(loss) before taxes (EBT)	(3.052)	9,0%	1.398	3,3%
Income taxes (current and deferred)	(164)	-0,5%	(655)	1,5%
Net income/(loss) for the accounting period	(3.216)	-9,5%	744	1,7%
Income/(Loss) attributable to minority interest shareholders	(22)	-0,1%	(12)	-0,0%
Income/(Loss) attributable to the Group	(3.194)	-9,4%	755	1,8%



Consolidated statement of comprehensive income (thousand euros)	3rd Quarter 2017	3rd Quarter 2016
Income/(loss) for the accounting period (A)	(3.216)	744
Other comprehensive income/(loss) that will be reclassified subsequently to profit and loss:		
Gains/(losses) on cash flow hedge	1	51
Gains/(losses) on exchange differences on translating foreign operations	(1.341)	(624)
Income tax related to components of Other comprehensive income/losses that will be reclassified subsequently to profit and loss	-	(12)
Total Other comprehensive income/(loss) that will be reclassified subsequently to profit and loss, net of tax effect (B1)	(1.340)	(585)
Other comprehensive income/(loss) that will not be reclassified subsequently to profit and loss:		
Actuarial gains/(losses) on employee benefit	21	(137)
Income tax related to components of Other comprehensive income/losses that will not be reclassified subsequently to profit and loss	(5)	33
Total Other comprehensive income/(loss) that will not be reclassified subsequently to profit and loss, net of tax effect (B2)	16	(104)
Total Other comprehensive income/(loss), net of tax effect (B)=(B1)+(B2)	(1.324)	(689)
Total comprehensive income/(loss) for the period (A)+(B)	(4.540)	55
Total comprehensive income/(loss) attributable to:		
Owners of the Parent	(4.385)	173
Non-controlling interests	(155)	(118)



Reclassified consolidated statement of financial position (thousand euros)	30.9.2017	30.9.2016
Property, plant and equipment	11.447	9.507
Intangible fixed assets	1.669	1.264
Investments	16	16
Other financial assets	1.757	2.081
Fixed assets – (A)	14.889	12.868
Net trade receivables	10.173	7.604
Inventory	21.096	25.369
Other current assets	1.658	2.669
Current assets – (B)	32.927	35.642
Supplier payables	(8.669)	(10.692)
Other current liabilities	(12.328)	(10.949)
Current liabilities – (C)	(20.997)	(21.641)
Net working capital (D) = (B+C)	11.930	14.002
Provision for employee severance indemnities (E)	(2.282)	(2.502)
Other long-term liabilities (F)	(149)	(174)
Net invested capital (G) = (A+D+E+F)	24.388	24.193
Financial position		
Financial assets available for sale	-	-
Bank deposits and cash	(7.454)	(9.293)
Short-term loans	6.019	3.727
Current (Assets)/Liabilities for derivatives	-	43
Other current financial liabilities	-	69
Current financial position (credit)/debt	(1.435)	(5.454)
Long-term loans, net of current portion	12.384	12.903
Non current (Assets)/Liabilities for derivatives	22	45
Net financial position (credit)/debt (H)	10.971	7.494
Share capital	5.123	5.123
Reserves	9.571	8.734
Net income (loss) for the accounting period attributable to the Group	(3.194)	755
Total shareholders' equity attributable to the Group	11.500	14.612
Shareholders' equity attributable to minority interests	1.916	2.086
Shareholders' equity (I)	13.417	16.698
Shareholders' equity and net financial position (L) = (H+I)	24.338	24.193



Consolidated condensed cash flow statement (thousand euros)	3rd Quarter 2017	3rd Quarter 2016
A) Cash and cash equivalents at beginning of the accounting period	8.440	15.534
B) Cash from/(used in) operating activities during the accounting period	774	(7.197)
C) Cash from/(used in) investing activities	(2.191)	(3.700)
D) Cash from/(used in) financing activities	888	4.565
Currency translation differences	(1.045)	(511)
E) Net change in cash and cash equivalents	(1.574)	(6.483)
F) Cash and cash equivalents at end of the accounting period	6.866	8.691
Breakdown of cash and cash equivalents:		
Cash and cash equivalents	7.454	9.293
Overdrawn current accounts	(588)	(601)
	6.866	8.691